

NSC BRIEFING

17 February 1954

COMMUNISM IN LATIN AMERICA

I. Topic will receive some attention at
10th Inter-American Conference -
Caracas - 1 March.

II. Increased Communist interest in Latin
America over past two years.

A. Activity of Soviet and Satellite
missions.

1. Credentials presented in eight
countries, in addition to five
existing missions in Argentina,
Uruguay, Brazil, Ecuador, and
Mexico.

2. Trade pact between Argentina
and USSR may stimulate others.

*Audio
Meat
↓
Oil
Machines*

B. Increase in Latin American travel
behind Iron Curtain - Communist
subsidized.

1. 900 Latin Americans last six months 1953.
2. Greatly increased Latin American representation at international Communist meetings WFTU, in Vienna, October 160. World Youth Festival, Bucharest, August - 600.
3. Attendance at nine front organization conferences in 1953 with travel in Orbit countries.

C. Communist leaders trained or visiting in Moscow or Orbit in 1953.

1. Secretaries General of four *(Guat, Arg, Cuba et)* parties and one other top party official.
2. Other Communist present or potential leaders also in Orbit.

3. European Communist leaders have in return visited Communist or front conferences in Latin America.

4. Communist training schools and programs reactivated or begun.

III. Communist influence varies - negligible only in Dominican Republic or Haiti.

A. Guatemala. Influence Arbenz, control labor, dominate agrarian reform.

1. Increased voting strength in January 1953 and December 1953 elections.

2. Party strength up from 500 to 3,000 in 1953.

3. Opposition divided.

B. Brazil.

1. Party recruitment broadened under "united national front."
 - a. Membership up from 65,000 to 110,000 in 1953.
2. Strength growing in organized labor.
 - a. Labor minister using Communists to build own machine.

C. Chile.

1. Increasing strength in organized labor from rising inflation.
2. Communist influence energetic in nitrate fields, coal mines, copper workers' federation.
3. Influence in workingmen's newspapers.

~~SECRET~~

IV. At Caracas.

A. US resolutions want controls on Communist propaganda and international travel.

1. Most Latin American governments do not see Communism as threat connected with Soviet Union.

B. Most Latin American governments will vote for resolution condemning Communism.

1. Little interest.

2. Greater interest in economic problems and colonialism.

3. Fear giving impression of intervening in Guatemalan affairs.

a. Sensitive because of Guatemalan charges (29 January) implying US would approve armed attack by Latin American governments on Arbenz regime.

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Argentine Exports to USSR

Wool	20,000 tons
Hides	18,000
Quebracho extract	15,000
Linseed oil	75,000
Canned meat	5,000
Pork	3,000
Mutton	5,000
Lard	1,500
Cheese	3,900

Soviet Exports to Argentina

Crude Petroleum	500,000 tons
Coal	300,000 tons
Petroleum by-products	\$ 500,000
Steel and sheet iron	98,000 tons
Oil derricks	40,000 tons
Asbestos	8,000 tons
Dye products	\$ 1,000,000
Precision machinery	\$ 500,000
Steel rails	60,000 tons
Special steels for	
RR Construction	\$ 3,500,000
Equipment for:	\$30,000,000
Oil wells	
Cotton mills	
Railways	
Power stations	
Agricultural machines	
Tractors	

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- Further negotiations for additional trade underway in Moscow now. Argentine trade mission there.
- Petroleum by-products, (\$500,000) known to include 7,700 tons avgas, first known Soviet export of avgas outside the Orbit. Believed 95-octane, Price of \$76.20/ton compares with U.S. price at New Orleans of \$71.80 per long ton (2280 lbs.)

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